

Cabinet



Minutes of meeting held on Wednesday, 10 December 2014 at 6.00 pm

Present:-

Councillors **Gill Mattock** (deputy chairman (in the chair) and deputy leader of the council), **Margaret Bannister**, **Carolyn Heaps**, **Troy Tester** and **Steve Wallis**.

(An apology for absence was received from councillor David Tutt (chairman and leader of the council).

39 Minutes of the meeting held on held on 22 October 2014

The minutes of the meeting held on 22 October 2014 were submitted and approved and the chairman was authorised to sign them as a correct record.

40 Declarations of interests by members

Declarations of disclosable pecuniary interests (DPIs) by members as required under section 31 of the Localism Act and other interests as required by the council's code of conduct and regulation 12(2)(d) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Councillor Tester declared a personal interest in minute 46 (internal drainage boards) as an owner and occupier of a property within the area of the proposed board. He remained and participated as the interest was not one that was any greater than that of the majority of other residents in his ward.

41 LeDeR award for achievement in government

41.1 The Chair reported the results of the 4th edition of the Alliance of Liberals and Democrats for Europe LeDeR awards which had been announced earlier in the day in Brussels at a ceremony held in the EU's Committee of the Regions.

41.2 The 2014 LeDeR in the category of achievement in government was awarded to councillor David Tutt, Eastbourne council leader. The citation was "... for his visible leadership in having put core liberal values of innovation, forward-thinking and opportunity into action in transforming what was officially the worst Council in the south-east of England into one widely recognised as among the very best in the country."

41.3 Cabinet congratulated councillor Tutt on his receipt of the award.

42 Corporate performance - Quarter 2 2014/15

42.1 Cabinet considered the report of the chief finance officer and head of corporate development reviewing the council's performance against corporate plan priority indicators and action targets; financial performance of general fund revenue expenditure, housing revenue account and capital programme; and treasury management activities for the first quarter of 2014/15.

42.2 Appendix 1 gave detailed information on non-financial performance. A number of services were highlighted including improved performance in dealing with missed refuse collections, increased visitor numbers at theatres, Bandstand and the Redoubt, low sickness absence levels, reduction in the vacancy rate of town centre business premises and improved housing benefit processing time and telephone abandonment rate. Appreciation was also recorded for the efforts of the neighbourhood first team in dealing promptly with instances of fly-tipping and to staff handling homelessness cases and the award of grant money to support provision of accommodation.

42.3 The general fund position to end of September showed a variance of £77,000 on net expenditure which was a movement of £60,000 compared to the position reported at the end of the first quarter in June. Service expenditure had a variance of £113,000 mainly as a result of one-off backdated rental income (£35,000), development control legal and consultants' fees (£40,000), Downland water supply new contract (£33,000) and Dotto Train (£65,000). An element of this service overspend would be off-set by the saving on the contingency fund. The contingency allowance currently stood at £161,050 and as a consequence there would be no funding available for any future unforeseen one-off areas of expenditure during the remainder of the year.

42.4 A new 2-year pay award had been agreed by the National Joint Council for Local Government Services (NJC) and employee organisations based on a 2.2% increase from 1 January 2015 plus one off lump sum payments. However, staff outside NJC pay scales or who were above SCP 49 would not receive the pay award. The cost of this pay award would be met within existing budgets.

42.4 Housing revenue account performance was currently above target due to a number of factors including underspending on council tax for void properties, new insurance contract and reduction in provision for bad debts required. The detailed capital programme was shown at appendix 4. Actual expenditure was low compared to the budget, due to delays in the start dates of housing major projects, sheltered accommodation remodelling projects and several general fund projects. Expenditure was expected to increase as schemes progressed however the spending patterns would be reviewed at quarter 3 and re-profiled into the 2015/16 year where appropriate.

42.5 Council tax collection rates were currently showing a £172,950 surplus, due to higher than budgeted number of chargeable properties and a reduction in the number of single person discounts awarded. The

business rates deficit of £1,314,414 was as a result of a bigger than anticipated provision made in 2013/14 for outstanding appeals, giving rise to a higher than budgeted for balance carried forward as at 1 April 2014. Currently there were 93 properties with appeals outstanding with a total rateable value £12m, a reduction of 13 properties with a rateable value of £6m since 1 April 2014. The valuation office was expecting to settle all these claims within the next 12 months however the uncertainty of the potential value of successful appeals remained a major risk to the collection fund at this time. The deficit represented 3.98% of the total debit for the year.

42.6 Treasury management performance was on target and all activities were within the approved treasury and prudential limits

Resolved (key decision): (1) That the performance against national and local performance indicators and actions from the 2010/15 corporate plan (2013 refresh) be agreed.

(2) That the general fund, housing revenue account and collection fund financial performance for the quarter ended September 2014, as set out in sections 3, 4 and 6 of the report be agreed.

(3) That any nationally agreed pay award be applied across all staff in the organisation as set out in paragraph 3.4 of the report.

(4) That the virements and transfer to and from reserves as set out in appendix 3 to the report be approved.

(5) That the amended capital programme as set out in appendix 4 to the report be agreed.

(4) That the treasury management performance as set out in section 7 of the report be agreed.

43 Council budget 2015/16 - Draft budget proposals

43.1 Councillor Elkin addressed the cabinet. He welcomed the administration's current proposals for a zero increase in council tax and asked members to provide additional staff resources to deal with an increase in the number of attacks by dogs on people and other dogs. Councillor Tester commented that the transition in the council's working practices (as reported in minute 45 below) would result in the enlargement of the neighbourhood first teams who were tasked with dealing with these matters.

43.2 Cabinet considered the report of the chief finance officer summarising the main elements of the emerging 2015/16 revenue budget and capital programme that had arisen from the corporate and service financial planning process to date. Each year the council consulted a range of stakeholders on its detailed draft budget proposals for the following financial year. This followed consultation on the corporate plan and medium term financial strategy (MTFS), which had

been carried out over the summer and autumn. Cabinet was asked to give initial responses to the consultations at this meeting and finally on 4 February 2015 in order to recommend a final budget and additions to the existing capital programme for 2015/16 to the council on 18 February 2015.

43.3 The process of service and financial planning was an integral part of the corporate planning cycle that looked over a medium term horizon. The corporate change programmes under the council's DRIVE programme picked up the challenge of the MTF5.

43.4 The MTF5 agreed in July 2014 modelled the overall reduction in government support by 40% in cash terms over the whole comprehensive spending review (CSR) period (2013/17) which equated to around 50% in real terms at past and projected levels of inflation. At the time of writing the report, the chancellor's autumn statement was not known, however last year the government signalled a further 5 years of reductions in public spending over the life of the next parliament. Although there is an election next year all the main political parties are working on similar deficit reduction plans.

43.5 In addition to changes in the amount of funding for local government, there were two significant changes that came into force in 2013/14 that gave a greater volatility to local government finance over the medium term. These changes were the retention of a proportion business rates and the localisation of council tax support. The council had applied with other East Sussex authorities to be part of a single business rates pool which could see the Council increase its business rates retention increase by around £200,000 in 2015/16.

43.6 The current strategy set out a rolling three year plan to:

- Deal with the anticipated reduction in the government support of a further 40% from the 2014/15 level.
- Integrate fully the service and financial planning process with the main change programmes under DRIVE.
- Work with clearly defined medium term efficiency targets to the corporate transformation programmes and allow services to put forward savings proposals in addition.
- Deal with the continued economic downturn and unavoidable growth in service demands.
- Maintain front line services to the public.
- Make further recurring savings of £2.7m per annum by 2018/19.
- Maintain at least a minimum level of reserves of £2m.
- Use surplus reserves in the medium term for:
 - Invest to save projects.
 - Smooth the requirement for savings over the cycle of the MTF5.
 - Invest in one off service developments in line with the corporate plan.
- Benchmark fees and charges against the service standard.
- Reinvest in value adding priority services when headroom is created.

- Set council tax rises at zero or at the level of target inflation (CPI).
- Maintain a strategic change fund to finance the DRIVE programme in order to increase efficiency.
- Maintain an economic regeneration reserve to finance external interventions that promote economic activity.
- Finance capital expenditure from identified resources.
- Use borrowing only on a business case basis.
- Continue the process of priority based budgeting to target investment and differential levels of savings targets at services according to priority.
- Zero base volatile grant budgets.
- Look for new income streams to supplement diminishing resources.

43.7 The final settlement in respect of revenue support grant (RSG) and retained business rates for 2015/16 were not yet known, together with numerous other grant announcements not yet made. The following assumptions were made in the draft budget:-

Year	2014/15	2015/16
	£m actual	£m
RSG	(3.7)	(2.6)
Retained business rates	(4.0)	(4.0)
Council tax freeze grant	(0.1)	(0.1)
New homes bonus	(0.9)	(1.3)
Council tax	(7.2)	(7.3)
Total	15.9	15.4

43.8 The service and financial planning process started in July and had culminated in the four service areas presenting their plans to the Cabinet and shadow cabinet in November. In response the challenge set out in the MTFs, the service and financial planning process has identified proposed savings of £1.509m (10% of net spend) shown in appendix 1 to the report. These were categorised as:

	<u>£m</u>
Efficiency savings	(0.992)
Increases in income	(0.461)
Other changes	<u>(0.056)</u>
Total	<u>(1.509)</u>

A total of £0.947 of service growth was proposed categorised as follows (appendix 2):

	<u>£m</u>
Corporate inflation	0.515
Reduced income targets	0.224
Other growth	<u>0.208</u>
Total	<u>0.947</u>

The proposals also included £487,000 of non-recurring service investment to be financed directly from reserves (shown in appendix 2 to the report).

43.9 The draft budget assumed no rise in council tax for 2015/16 as the council might take advantage a special grant available for councils not increasing council tax (assumed to be 1% or £85,000). There therefore remained a choice depending on the announcement of the tax freeze scheme. A referendum would be required if any proposed tax rise were 2% or greater.

43.10 The following summarised the effect of the proposed changes:-

	<u>Proposal</u> <u>£m</u>
Base budget 2014/15	15.902
Growth (outlined in para. 4.3 of report)	0.947
Savings (outlined in para. 4.2 of report)	(1.509)
Net budget requirement:	<u>15.340</u>
Funded By:	
Government grants/retained rates	(8.041)
Council tax (band D £224.19)	<u>(7.299)</u>
Total resources:	<u>(15.340)</u>
Forecast general reserve as at 31 March 2015:	£4.2m

It was recommended that should the resources allocated by way of retained business rates and RSG differ from the assumptions, the suggested strategy would be to make the additional resources available to the capital programme. Should the resources be less than the assumptions then they should first reduce the addition to the capital programme resources, then reduce the contingency by up to £100,000 and beyond that, a further review of the service and financial plans would be required to identify additional savings/reduced growth. As a last resort the MTFS allowed for reserves to be used in the short term until further corrections could be made.

43.11 The council currently financed its capital programme from capital receipts and grants and contributions. There was currently £0.5m of internal identifiable capital resources available for the next 3 years. It was intended that any headroom created by the 2015/16 revenue budget would be reinvested in the capital programme. In addition to these resources, borrowing was permitted on a business case basis where savings or new income generated from a scheme could repay the capital costs. Additional individual schemes to be added to the capital programme linked to priorities would be developed as part of the development of the corporate plan in January and contained in the final budget and capital programme proposals to be agreed by the full council in February. It was also be noted that unlike the council tax, the capital programme could be varied at any time and that there were duties under

certain schemes to consult with those affected before schemes were commenced. As well as schemes financed from internal resources, the corporate plan would include schemes financed from external resources.

43.12 Councillor Mattock, on behalf of the cabinet, expressed her appreciation for the work undertaken by the chief finance officer, his team and other council staff in the preparation of the draft budget.

43.13 Resolved (key decision): (1) That the draft budget proposals be agreed for consultation.

(2) That the approach to dealing with changes in the expected resources available for the 2015/16 budget as detailed in paragraph 5.3 of the report.

(3) That, subject to there being no material change in the government settlement, cabinet is minded to propose a council tax freeze for 2015/16.

44 Council tax base and business rate income 2015/16

44.1 Cabinet considered the report of the chief finance officer. The council was required to set its council tax base and the expected business rate income for the forthcoming year. These calculations were used as the basis for the amount of income the council will precept from the collection fund.

44.2 The council tax base for Eastbourne was calculated by multiplying the 'relevant amount' by the 'collection rate'. The relevant amount was the estimated full year equivalent number of chargeable dwellings within the borough. This was expressed as the equivalent number of 'band D' dwellings with 2 or more liable adults. The relevant amount had increased by 358 (1.32%) band D equivalent dwellings from 2014/15. This reflected an increase in the number of taxable properties and a reduction in the number of single person discounts awarded. The effect of these changes has resulted in an increase to the total number of chargeable dwellings of 459.

44.3 The collection rate was the council's estimate of the proportion of the overall council tax collectable for 2015/16 that would ultimately be collected. This was expressed as a percentage. Given the current level of council tax collection and the forecast of a small surplus balance on the collection fund there was the opportunity to set the collection rate at 97.75% for 2015/16, an increase of 0.25% over 2014/15. Taking the relevant amount of 33,308.3 and applying a collection rate of 97.75% produced a council tax base for 2015/16 of **32,558.90**.

44.4 The Local Government Finance Act 2012 had introduced a new system for the local retention of business rates. This meant that the Council was required to formally approve the expected business rate income for the forthcoming year. The estimate for the 2015/16 financial year must be approved by 31 January 2015. The report described how

the net rate income for 2015/16 would be calculated. The actual 'NNDR1' form for 2015/16 had not yet been received but the provisional figures based on the 2014/15 form plus known changes had been calculated and indicated a net yield of £38,804,000. The allocation would be in the proportion of:

- 50% to central government
- 40% to the local billing authority (this council)
- 10% to the other precepting authorities (9% to the county and 1% to the fire authority)

44.5 As some local authorities collected more business rates than they currently received in formula grant (which was based on relative need and resources), whilst others were lower the government would rebalance to ensure that no local authority was worse off as a result of its business rates at the outset of the scheme through a system of tariffs and top ups. Tariff and top ups would be self funding and fixed in real terms (i.e. only up rated by RPI in future years) ensuring that changes in retained income were driven by business rate growth. This authority had a business rate baseline higher than its baseline funding level and thus was due to make a tariff payment.

44.6 The final amount of retained business rates to be credited to the general fund is calculated as follows:

2015/16 estimate	£'000
EBC share of business rate yield	13,921
Minus tariff	(10,124)
Minus levy	(564)
Minus estimated deficit on collection fund as at 31 March 2014	(526)
Add section 31 grants	1,272
Local Retained Business Rate Income 2014/15	3,980
2014/15 amount	3,725

These figures would be confirmed once the final NNDR1 has been completed in January and the government grant settlement figures received later this month.

44.7 Cabinet agreed at its meeting on 22 October 2014 to enter into a business rate pool with the other East Sussex borough and district councils, East Sussex County Council and East Sussex Fire Authority. An application had now been submitted to the government and the outcome was expected in January. Under pooling the levy as set out in para. 744.6 above would be payable to the pool rather than to the government, and redistributed to participating authorities in accordance with the agreed memorandum of understanding. This would be used to fund economic development. The split of the potential proceeds based

on business rate forecasts indicated that this council could expect to receive a sum in the region of £223,000, the precise amount would not be known until the end of the 2015/16 financial year and payment made in 2016/17.

44.8 As at 31 March 2014 the collection fund showed deficit of £3,127,280 (£79,171 council tax and £3,048,109 business rates). £2,165,775 was being recovered across council tax and business rates preceptors during 2014/15, leaving a balance of £961,505 to be distributed in 2015/16.

The council had to estimate the overall surplus/deficit at 31 March 2015 and inform the precepting authorities in January 2015 of this estimate in order that the amount was included in the 2015/16 precept figures. Current monitoring figures indicated a deficit by 31 March 2015 of £172,950 for council tax, this would be revised in January and the results reported to members as part of the budget report to the February cabinet.

44.9 The calculation on the business rate income element of the collection fund currently indicated a deficit balance of £1,314,000 as a result of a bigger than anticipated provision made in 2013/14 for outstanding appeals, giving rise to a higher than budgeted balance carried forward at 1 April 2014. The calculation would be revised for January and the results reported to members as part of the budget report to the February cabinet.

44.10 Resolved (key decision): (1) That a the provisional council tax base figure of 32,558.9 for 2015/16 be agreed.

(2) That a provisional retained business rates income amount of £34.8m for 2015/16 be agreed.

(3) That the chief finance officer, in consultation with the lead cabinet member for finance, be authorised to determine the final amounts for the council tax base and retained business rates income for 2015/16.

45 Sustainable service delivery strategy (SSDS) - Update

45.1 Cabinet considered the report of the senior head of infrastructure updating members on the progress made within the SSDS programme, with particular reference to the draft target operating model (TOM) for phase 2 of the future model implementation. In July 2013 cabinet approved the adoption and implementation of phase 2 of the programme and delegated authority to the DRIVE programme board to run the programme within the allocated resources. The programme aimed to improve service delivery whilst delivering savings estimated at £1.7m to £2m across the council and Eastbourne Homes Ltd (EHL). The current phase, phase 2, was estimated to save between £1.2m and £1.5m.

45.2 In October 2014 cabinet received an update on the status of the programme. The key milestones had not changed since that update and the council was on target to meet those milestones. At that meeting,

cabinet approved the new structure for the council's corporate management team (CMT) which would generate additional savings of £200,000 in addition to the aggregate savings of £500,000 that had been achieved since 2009. These savings were anticipated as part of the phase 2 business case. Cabinet delegated authority to the chief executive to progress formal consultation with current CMT officers and then appoint to those roles in line with standard human resources policies and procedures. That consultation process was currently underway. Cabinet had been advised that the next key programme milestone would be the publication of the draft TOM for consultation with council and EHL staff, council members, EHL board members and Unison.

45.3 The TOM would detail how roles and responsibilities for housing management would be aligned between the council and Eastbourne Homes Ltd. in order to maximise efficiencies, create improved customer journeys and yet ensure that the benefits of having a dedicated housing management organisation were retained. It also included the expansion of the customer first structure that had been created in phase 1, the creation of a number of additional service delivery units and the strategic core of the organisation, referred to as strategy and commissioning. The TOM would consist of a full set of role descriptions, job descriptions and person specifications which had been evaluated through the council's corporate job evaluation scheme. Appendices to the report illustrated the strategy and commissioning roles and their alignment to the different CMT roles (figure 1), the relationship between CMT roles and delivery units (figure 2), key EHL functions and roles (figure 3), customer contact roles (figure 4), case and account management roles (figures 5 and 6), neighbourhood first (figure 7).and specialist advisors (figure 8).

45.4 As was the case with phase 1, the projected reduction in full-time staff equivalents (FTEs) as a result of phase 2 would be approximately 20%, equivalent to 35-40 FTEs. The draft TOM would be subject to consultation until late January. A comprehensive consultation pack was being produced which included an overview of the structures, the post details and the proposed recruitment process. A number of staff briefings were programmed to be delivered to launch the consultation and a full member briefing would also be held. The TOM would continue to change through consultation, and all FTE numbers and savings estimates outlined in the report were only estimates at the time of publication.

45.5 Principle features of the draft TOM outlined in the report to cabinet were:

- Clearly designated strategy and commissioning roles that form part of the strategic heart of the council, mapped to the new CMT structure.
- New delivery units for sports and seafront and events.
- An enhanced housing and neighbourhood management role for EHL, with customer contact and routine casework shifting to customer first.
- Casework splits into case management and account management.

- A new neighbourhood first partnership approach between the council and EHL, working closely with the police.
- Planning policy, economic development and service improvement and development moved from customer first to strategy and commissioning.

45.6 Resolved (key decision): (1) That the principles of the draft target operating model, as detailed in the report, be approved in order to enable consultation to begin.

(2) That the chief executive be given delegated authority to approve any necessary changes to the target operating model that arise from consultation.

46 Internal drainage boards (IDBs)

46.1 Cabinet considered the report of the senior head of infrastructure on the options appraisal regarding the creation of a new internal drainage board (IDB) for Pevensey Levels, following the proposed Environment Agency dissolution of the existing East Sussex IDD. The EA had asked the East Sussex local authorities for their views and the options for the future management of these drainage areas. The report explored the risks involved and summarised the options appraisal, with a recommendation that there should be a new IDB to include the Pevensey Levels.

46.2 Historically, the Environment Agency (EA) had acted as the internal drainage board (IDB) for a number of internal drainage districts (IDDs) in the South East. In 2011, the EA confirmed their intention to dissolve internally administered IDD(s) due to the view that arrangements for drainage districts should have a greater degree of local accountability. There were three EA-administered IDD(s) in East Sussex: Pevensey Levels, Ouse and Cuckmere. Part of Eastbourne sat within the Pevensey Levels IDD. There were 15,486 residential properties and 533 businesses within the Pevensey Levels IDD, and under current IDD management the majority were at a 1:200 or less risk of flooding (from the main river). 700 of the residential dwellings in the Langney area were at significant risk of surface water flooding. Whilst IDBs were not responsible for main rivers (the EA retained management of these), IDBs paid annual precepts to the EA as a contribution to work on main rivers from which the IDD(s) benefited. Thus, in the 2013/14, the East Sussex IDB paid the EA £109,370 for maintenance of main rivers.

46.3 The options available were, one, if no local authority consensus a likelihood that the government would impose an IDB; two, reversion to land-owner control or alternatively some form of community led water level management; and three, a new independent board. An East Sussex IDD steering group with members from local authorities, the EA and stakeholders, had been meeting regularly to gather information and discuss the issues regarding the EA's proposal to dissolve their

responsibility of the East Sussex IDD. A small officer working group led by officers from Eastbourne Borough Council and Wealden District Council had been meeting to prepare an options appraisal. This had identified the known costs, opportunities, and risks for each of the 3 options. A risk assessment had then been undertaken based on the information available. The options appraisal, which was appended to the report, had concluded that option 3 had the lowest risk and this option was also supported by East Sussex County Council (ESCC) and the National Farmers Union.

46.4 The expenses of an independent IDB were predominantly funded by the local beneficiaries of the water level management work they provided. The Land Drainage Act 1991 determined that the expenses of an IDB should be met by drainage rates collected from agricultural land and buildings within the IDD; special Levies issued on district and unitary authorities within the IDD; and contributions from the EA. The special levy was collected for the IDB by local authorities through the councils' budget setting process. The councils then paid this levy to the IDB. The 2014/15 council contributions were as follows:

Pevensey IDD	Special Levy (£)
Eastbourne Borough Council	£193,186
Hastings Borough Council	£9,779
Rother District Council	£3,584
Wealden District Council	£38,435
Total:	£244,984

46.5 The above special levy monies have historically been reimbursed by the Department of Communities and Local Government (DCLG) through the revenue support grant (RSG). This funding was to be superseded by the settlement funding assessment (SFA), which was guaranteed to continue until 2021. ESCC, EBC, and WDC are pursuing the future uncertainty of this government funding with the secretary of state. It was proposed to enter into the Pevensey Levels IDB at the same contribution level, or at such a level that represented the amount of funding received via the RSG as amended by the grant settlements, with the condition that contribution rates would be revaluated for 2021, when the RSG/SFA might change. Prior to that, a more proportional contribution level could be pursued. It was anticipated that the new arrangements would be in place by April 2016.

46.6 Resolved (key decision): (1) That option 3, formation of a new internal drainage board to include the Pevensey Levels, be approved, and officers be authorised to commence planning work with key partners.

(2) That delegated authority be given to the Senior Head of Infrastructure, in consultation with the Leader of the Council, to take all necessary steps to contribute to the setting up of a new board.

(Note: Councillor Tester declared an interest in this matter. See minute 40 above.)

47 Employment land local plan (ELLP)

47.1 Cabinet considered the report of the senior head of development. In May 2012, the Eastbourne Core Strategy Local Plan had been subject to public examination by a planning inspector. The Inspector had expressed concerns over the evidence that supported core strategy policy D2: economy, particularly relating to the employment land supply. In order to address this issue without delaying the adoption of the core strategy, the inspector had recommended that policy D2 be the subject of an early review, leading to its replacement with an additional local plan to deal specifically with the employment land supply. The plan would guide job growth and economic development in Eastbourne up to 2027 by identifying an appropriate supply of land for future employment development, in order to achieve a sustainable economy and make Eastbourne a town where people want to live and work.

47.2 A proposed draft ELLP was approved Cabinet on 14 December 2013 and published for a 12 week public consultation with the community and stakeholders ending 14 March 2014. The representations received during the consultation have been taken into account in revising the ELLP. In order to progress the ELLP toward adoption, a proposed submission version now needed to be published to allow for representations to be made on issues of soundness.

47.3 The evidence supporting the ELLP showed that there was a requirement to provide 43,000 sq.m. of employment (Class B) floor-space between 2012 and 2027. This would result in the creation of 1,263 new jobs. In order to deliver the employment floor-space requirement, the ELLP proposed the intensification of land within the existing industrial estates to provide 20,000 sq.m. of industrial and warehouse space, and the development of new office space in the Town Centre (3,000 sq.m.) and Sovereign Harbour (20,000 sq.m.).

47.4 A total of 30 representations had been received from 10 organisations during the consultation on the proposed draft ELLP. There were five main issues raised through consultation:

- The amount of office space allocated in Town Centre.
- The viability of employment development at Sovereign Harbour.
- The density assumptions used to calculate how much floorspace will be required.
- Protection of existing employment sites and restrictions on non-employment development within industrial estates.
- The non-allocation of land north west of Hammonds Drive off Lottbridge Drove for employment development.

A summary of representations and the full responses to those representations was provided in appendix 1 to the report.

47.5 Additional evidence had been prepared in order to take account of these representations and provide further information as to whether or not changes were required to the ELLP. This additional evidence had backed up the original position, and no fundamental changes to the ELLP

were proposed as a result of these representations. As the evidence supported the original position, there were few recommended changes to the ELLP. There are some minor amendments to various parts of the ELLP for clarification purposes. A schedule of changes made to the ELLP was provided in appendix 2 to the report.

47.6 The proposed submission ELLP would now be subject to an 8 week representation period between 12 December 2014 and 6 February 2015 to allow stakeholders to make representations on issues of soundness. It was anticipated that a public examination by a planning inspector would take place around May/June 2015. If found sound at examination, the ELLP could then be formally adopted by the council.

47.7 Resolved (key decision) (1) That the proposed submission employment land local plan be approved for publication for an 8 week period to receive representations on issues of soundness.

(2) That delegated authority be given to the senior head of development, in consultation with the lead cabinet member, to make minor amendments before the commencement of the representation period.

(3) That following the end of the representation period, the senior head of development be given delegated authority, in consultation with the local plan steering group, to submit the employment land local plan to the secretary of state for public examination.

48 Council tax discretionary reduction policy

48.1 Cabinet considered the report of the senior head of community. Section 13(A)1(c) of the Local Government Finance Act 1992 provided the council with additional statutory powers to enable it to reduce the council tax liability of council taxpayers. These discretionary awards could be given to individual council taxpayers, groups of council taxpayers, Council taxpayers within a defined area; or all council taxpayers in the council's area. The provision allowed the council the discretion to provide assistance to taxpayers where either the existing legislation did not provide a discount or exemption or in such circumstances where the council felt that the level of discount, exemption or reduction was insufficient given the circumstances of the taxpayer.

48.2 A recent valuation tribunal ruling made clear the need for all councils to have in place a policy in respect of the exercise of such discretions. Councils across East Sussex had collaborated in the preparation of a policy and a copy was appended to the report. The proposed policy referred to 3 categories of taxpayer for whom a discretionary reduction might be appropriate. Those categories were exceptional financial hardship, crisis, for example fire or flood, and other circumstances.

48.3 The policy set out the process through which a taxpayer must go in applying for a reduction and laid some responsibility on the taxpayer to manage their finances by, for example:

- Ensuring that they had applied for any council tax discounts, exemptions or reduction that might be applicable.
- If appropriate, accepted assistance to enable them to manage their finances effectively.
- Maximised their income through applying for welfare benefits and the cancellation of any non-essential contract.

48.4 Any appeals would, in the first instance, be dealt with by the revenues and benefits manager. If the taxpayer does not agree with the decision, they have a further right of appeal to the Valuation Tribunal.

48.5 Resolved (key decision): That the policy be adopted.

49 * Redundancy and re-deployment policy

49.1 Cabinet considered the report of the head of corporate development. The council's human resources policies and procedures were currently being reviewed. This report proposed a new redundancy and redeployment policy to replace the existing alternative employment procedure (AEP). It was believed that the AEP did not adequately reflect the process to follow in cases of restructuring and redundancy, and was not clear about the support mechanisms in place for staff. Both these aspects had been considered in the drafting of the new policy, along with updated legislative requirements which were largely around statutory consultation requirements. The new policy would also give clearer advice about the process for voluntary redundancy and the parameters within which it would be offered.

49.2 Full discussions had taken place with Unison who had made some helpful and positive contributions to the policy being presented to cabinet and had indicated their agreement to the content.

***49.3 Resolved (policy framework):** That full council be recommended to adopt the redundancy and re-deployment policy as a replacement to the alternative employment procedure.

The meeting closed at 6.46 pm

Councillor David Tutt
Chairman